

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION**

STONE INTERIORS, INC., d/b/a PRP USA,)
)
Plaintiff,)
)
v.) Case No. 08 CV 1158
)
CUSTOM INTERIORS, LLC and) Judge Virginia M. Kendall
)
MICHAEL ZAMPIERI IV,)
)
Defendants.

INITIAL STATUS REPORT

I. Nature of the Case.

A. Attorneys of Record.

1. Plaintiff Stone Interiors, Inc., d/b/a PRP USA (“Stone Interiors”):

J. Scott Humphrey
Marcus M. Mintz
Seyfarth Shaw LLP
131 South Dearborn Street
Suite 2400
Chicago, Illinois 60603
2. Defendants Custom Interiors, LLC (“Custom”) and Michael Zamperi IV (“Zamperi”):

Attorney L. Gino Marchetti, Jr. of the law firm Taylor, Pigue, Marchetti & Mink, PLLC in Nashville, Tennessee accepted service on behalf of Custom on April 2, 2008. Mr. Marchetti has not, however, filed an appearance in this matter and, based upon information and belief, will not be appearing on behalf of Custom. Nevertheless, Mr. Marchetti has been provided a copy of this status report.

Zamperi, an Alabama resident, is yet to be served. Stone Interiors has hired a special process server to serve Zamperi. The process server has made at least two attempts to locate and serve Zamperi yet, as of this date, Zamperi has not been served.

B. Basis for Federal Jurisdiction.

Diversity.

C. Nature of Claims Asserted in Complaint and Any Expected Counterclaims.

Stone Interiors provided marble and granite slabs to Custom in October and November 2006 that were worth approximately \$155,000.00. Custom, however, only paid \$30,000 for the materials and, as a result, still owes Stone Interiors \$125,000 plus interest and costs.

Custom made several promises to pay the amount it owes Stone Interiors and, on September 24, 2007 (and after Stone Interiors filed suit), entered into an Agreement with Stone Interiors to pay the amount Custom owes Stone Interiors. As part of the Agreement and a primary basis for Stone Interiors entering into the Agreement, Zamperi (one of Custom's owners) agreed to be a party to the Agreement and to pay the amount Custom owes Stone Interiors in the event Custom did not pay the Settlement Amount. Neither Custom nor Zamperi have lived up to the duties and obligations they agreed to under the Settlement Agreement, nor has either Custom or Zamperi paid Stone Interiors the amount Zamperi and Custom owe Stone Interiors.

Thus, Stone Interiors seeks to recover a money judgment in the amount of \$140,037.23, plus interest and attorneys fees, and to recover all additional costs incurred in this action pursuant to Agreements entered into between Stone Interiors, Custom Interiors and Zampieri.

D. The Name of Any Party Not Yet Served and The Circumstances Regarding Service.

Zamperi. See above.

E. The Principal Legal Issues.

Breach of contract.

F. The Principal Factual Issues.

See Above.

II. Discovery.

A. Brief Description of Any Discovery Undertaken to Date and Any Anticipated in the Future.

No discovery has occurred as of this date.

B. Brief Description of any pending motions or anticipated motions.

No motions are currently pending. Stone Interiors anticipates filing a motion for summary judgment prior to trial.

C. Brief Description of any previously entered rulings on substantive issues.

None.

D. Any previously filed status reports.

None.

III. Trial.

A. Whether a Jury Trial is Expected by Either Party.

Stone Interiors is not requesting a jury trial.

B. The Length of the Trial.

Stone Interiors estimates that the case will take two days to try.

C. Whether the Parties Unanimously Consent to Proceed Before the Magistrate Judge.

Stone Interiors would consent to proceed before a Magistrate Judge. It is unknown whether Defendants will consent to a Magistrate Judge.

IV. Settlement.

A. Status of Any Settlement Discussions and Whether the Parties Request a Settlement Conference.

Parties have engaged in limited settlement discussions and Stone Interiors would be willing to participate in a settlement conference before either Judge Kendall or a Magistrate Judge.

Respectfully submitted,



Attnorneys for Plaintiff Stone Interiors, Inc.

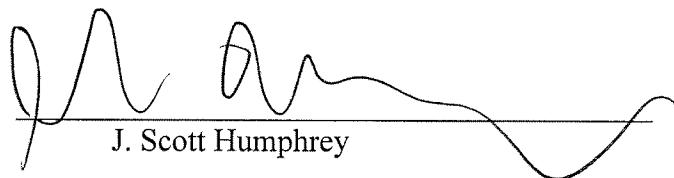
J. Scott Humphrey
Marcus M. Mintz
Seyfarth Shaw LLP
131 South Dearborn Street
Suite 2400
Chicago, Illinois 60603
(312)460-5000-telephone
(312)460-8000-facsimile

CERTIFICATE OF SERVICE]

I, J. Scott Humphrey, an attorney, certify that I caused a true and correct copy of the foregoing Initial Status Report to be served upon:

Custom Interiors LLC
c/o Michael Zamperi
1280 Seven Hills Drive
Mobile, AL 36695

by placing in a properly addressed, postage prepaid envelope and deposited in the U.S. Mail at 131 S. Dearborn Street, Chicago, Illinois this 24th day of April, 2008.

A handwritten signature in black ink, appearing to read "J. Scott Humphrey", is written over a wavy horizontal line. The signature is fluid and cursive, with a prominent initial 'J' and 'S'.